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Filing date: **05/05/2008**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92047819
Party	Plaintiff Paul Stuart, Inc.
Correspondence Address	Laura J. Winston Darby & Darby P.C. P.O. Box 770, Church Street Station New York, NY 10008-0770 UNITED STATES tmdocket@darbylaw.com, lwinston@darbylaw.com, emarmo@darbylaw.com
Submission	Motion to Amend Pleading/Amended Pleading
Filer's Name	Paul Fields
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Signature	/Paul Fields/
Date	05/05/2008
Attachments	01528157.pdf (8 pages)(25575 bytes) 01528159.pdf (9 pages)(31244 bytes) 01496366.pdf (11 pages)(108068 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

PAUL STUART, INC.,

Petitioner,

v.

GRACE WEXLER substituted for POWDER,
LLC

Registrant.

Cancellation No. 92047819

(Reg. No. 2,843,001)

**PETITIONER’S MOTION FOR LEAVE TO AMEND
ITS PETITION TO CANCEL AND TO SUSPEND FURTHER PROCEEDINGS**

Paul Stuart, Inc. (“Petitioner”), a corporation located and doing business at 18 East 45th Street, New York, New York 10017, hereby moves under Fed. R. Civ. P. 15, Trademark Trial and Appeal Board Manual of Procedure (“TBMP”) § 507, and 37 C.F.R. § 2.115, to amend its Petition to Cancel to add claims based on fraud committed by the Registrant, Grace Wexler (“Registrant”), the present owner of the subject registration by alleged assignment from Powder, LLC, a limited liability joint stock company formerly with an address of 500 West Madison Street, Suite 2910, Chicago, Illinois 60661 and respectfully requests that the proceedings be suspended pending determination of the Board’s decision on Petitioner’s Motion.¹

¹ Upon information and belief, Grace Wexler, alleged to be the present owner of the subject registration, was formerly the sole principal of Powder, LLC and responsible for all its activities. As used herein, “Registrant” shall be interpreted to

INTRODUCTION

In this proceeding, to date, no discovery has transpired which is not set to close until 20 August 2008 and the first testimony period is not set to open until almost two months after that. (Order dated 12 March 2008, Docket #12, at p. 3).² In fact, nothing has transpired in this proceeding apart from the Trademark Trial and Appeal Board (“Board” or “TTAB”) deciding Registrant’s motion to set aside a Notice of Default. Accordingly, this proceeding is in its nascent stages and Registrant will therefore suffer no prejudice if Petitioner is granted leave to amend its Petition to Cancel to add claims based on fraud.

BACKGROUND FACTS

On 17 July 2007, Petitioner filed its Petition to Cancel U.S. Registration No. 2,843,001 for the mark POWDER & Design covering “clothing, namely, underwear, undergarments, undershirts, underpants, thongs, t-shirts, pajamas, sleepwear, sleep shirts, socks, blouses, dresses, panties, pants, skirts, jackets, jeans, swimwear, sweatshirts and hats.” (Petition to Cancel, Docket #1).

Subsequent to the filing of the Petition to Cancel and prior to the expiration of the period for filing an Answer, Petitioner (through its attorney) was contacted by Mitchell Wexler, Esq. of the firm Friedman & Wexler, LLC, 500 W. Madison Street, Suite 2910, Chicago, IL 60661. Attorney Wexler advised that he had received the Petition to Cancel “... my client’s trademark for Powder.” (emphasis added).

Upon information and belief, based on further communications counsel for Petitioner received from

apply to both Grace Wexler, in her individual capacity and to the corporation, as the case may be.

² The docket for the above-captioned cancellation proceeding is available on the TTABVue database which is accessible online at <http://ttabvue.uspto.gov>, and provides access to all documents filed to date.

Attorney Wexler, during the period in which Registrant was to file an Answer, it was made clear that Registrant had notice of the proceeding, that Attorney Wexler was communicating with Registrant, and, based thereon, that Attorney Wexler was informing counsel for Petitioner that Registrant intended to prepare a defense to the Petition to Cancel. Attorney Wexler also communicated to counsel for Petitioner that his client, namely, Registrant, was willing to assign and sell the trademark to Petitioner.

However, Registrant never filed an answer to the Petition to Cancel (which answer was due on 26 August 2007), and the Board on 22 September 2007, issued a Notice of Default allowing Registrant 30-days to show cause why judgment by default should not be entered against it. (Notice of Default, Docket #4).

Subsequent to the above-described correspondence, on 19 October 2007, Registrant filed, *inter alia*, an Answer to the Petition to Cancel and a Response to Order Show Cause Why Default Judgment Should Not Be Entered (“Response to Order to Show Cause”). In the Response to Order to Show Cause, Registrant argued that its belated Answer should be accepted because it had no notice of this cancellation proceeding until after the PTO had entered its Notice of Default on 22 September 2007.

Upon information and belief, Registrant had notice and knowledge of the pendency of this cancellation proceeding during the period that Registrant’s Answer was due and before the PTO entered its Notice of Default on 22 September 2007. On 19 December 2007, Petitioner filed its brief in Opposition to Registrant’s Response to Order to Show Cause. On 8 January 2008, Registrant filed a reply in support of its Response to Order to Show Cause.

On 12 March 2008, the Board issued an Order granting Registrant's request in its Response to Order to Show Cause to set aside the Notice of Default. Consequently, the Board's Order of 12 March 2008 also reset the various deadlines in this proceeding such as, for example, the close of discovery (August 20, 2008) and the close of Petitioner's testimony period (November 18, 2008). (Order dated 12 March 2008, Docket #12, at p. 3).

In its Response to Order to Show Cause, Registrant admitted that it was not using the subject mark in connection with "swimwear." (Registrant's Response to Order to Show Cause, Docket #7, Declaration of Grace Wexler In Support of Response to Order to Show Cause, at ¶ 8). Accordingly, based thereon, Petitioner believes that Registrant was not using the mark on at least swimwear at the time Registrant applied to register the subject mark.

Upon information and belief, Registrant's statements in connection with its Response to Order to Show Cause, and the Reply in support thereof, were also made in bad faith and in an attempt to perpetrate a fraud upon the PTO because Registrant, upon information and belief, had notice and knowledge of the pendency of this cancellation proceeding. Consequently, but for Registrant's materially false statements, the PTO would have entered a default judgment in Petitioner's favor. Upon information and belief, the PTO reasonably relied on the truth of Registrant's materially false statements in issuing its Order of 12 March 2008 setting aside the Notice of Default entered 22 September 2007 and accepting Registrant's late-filed Answer.

In view of the above, Petitioner respectfully moves for leave to amend its Petition to Cancel to add

claims based on fraud. Toward that end, Petitioner has attached hereto as **Exhibit 1** its [Proposed] First Amended Petition to Cancel.

**PETITIONER'S MOTION FOR LEAVE TO AMEND
ITS PETITION TO CANCEL SHOULD GRANTED**

Under Fed. R. Civ. P. 15(a), leave to amend pleadings must be freely given when justice so requires, unless entry of the proposed amendment would violate settled law or be prejudicial to the rights of the adverse party. *Polaris Indus. v. DC Comics*, 59 U.S.P.Q.2d 1798 (T.T.A.B. 2000). The TTAB has granted leave to amend pleadings with “considerable liberality” in the past where the circumstances are such that the other party is not prejudiced. *Buffett v. Chi-Chi's, Inc.*, 226 U.S.P.Q. 428, 431 (T.T.A.B. 1985) (motion to amend notice of opposition granted; applicant would not suffer any prejudice due to fact that parties had agreed to several extensions of time which resulted in proceeding still being in fairly early stage).

Here, Petitioner simply seeks to amend its Petition to Cancel to add claims based on fraud. Nothing relating to this amendment would violate settled law.

More importantly, there would also be no prejudice to Registrant by granting Petitioner's motion for leave to amend its Petition to Cancel. This proceeding is still in its very early stages as the parties have not conducted any discovery. In the interim period since this proceeding was filed on 17 July 2007, the only activity that has transpired is the briefing on Registrant's request to set aside the Notice of Default, which briefing was completed by 8 January 2008. (See Docket Entries # 7, 8, 9, and 10). Thereafter, on 12

March 2008, the Board issued its Order setting aside the Notice of Default and re-setting dates in this proceeding. (*See* Docket Entry #12).

THE PROCEEDINGS SHOULD BE SUSPENDED

Petitioner respectfully requests that the proceedings be suspended pending determination of its Motion. The amended pleading raises new issues which will effect the determination of what constitutes relevant discoverable evidence. Therefore, it does not make sense to conduct discovery until the Board determines what the claims are in this proceeding. *See e.g., Sdt Inc. v. Patterson Dental Co.*, 30 U.S.P.Q.2d 1707, 1708 (T.T.A.B. 1994) (“In view of the nature of the issue raised by Opposer's motion to amend, it would be unreasonable to expect either party to take discovery or offer evidence prior to the determination of the motion.”). The Board has great discretion to suspend proceedings. *See* T.B.M.P. § 510. Accordingly, Petitioner respectfully requests that the proceedings be suspended pending a determination on its Motion to Amend.

CONCLUSION

Petitioner has acted promptly in moving for leave to amend its Petition to Cancel. In light thereof and the fact that Registrant will not be prejudiced thereby, Petitioner respectfully requests leave to file its [Proposed] First Amended Petition to Cancel attached hereto as Exhibit 1.

Respectfully submitted,

DARBY & DARBY P.C.

Dated: New York, New York
May 5, 2008

By: s/Paul Fields
Paul Fields
Abigail Rubinstein
7 World Trade Center
250 Greenwich Street
New York, NY 10007-0042
Tel: (212) 527-7700
Fax: (212) 527-7701
Email: pfields@darbylaw.com

Attorneys for Petitioner
Paul Stuart, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on May 5, 2008, a copy of the foregoing **PETITIONER'S MOTION FOR LEAVE TO AMEND ITS PETITION TO CANCEL** was caused to be served upon counsel for Registrant, via First-Class Mail, postage prepaid, addressed as follows:

Steven Prewitt
Yvonne E. Tingleaf
SCHWABE, WILLIAMSON & WYATT
PacWest Center
1211 SW Fifth Avenue, Suite 1900
Portland, OR 97204

s/Paul Fields

CERTIFICATE OF TRANSMISSION

I hereby certify that this correspondence is being transmitted by electronic means to the United States Patent and Trademark Office on the date shown below.

Paul Fields

(Type or printed Name of Person Signing Certificate)

s/Paul Fields

(Signature)

May 5, 2008

(Date)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

PAUL STUART, INC.,

Petitioner,

v.

GRACE WEXLER substituted for POWDER,
LLC

Registrant.

Cancellation No. 92047819

(Reg. No. 2,843,001)

FIRST AMENDED PETITION FOR CANCELLATION

Paul Stuart, Inc. (“Petitioner”), a corporation located and doing business at 18 East 45th Street, New York, New York 10017, believes it is and will continue to be damaged by the registration of POWDER & Design as shown in Registration No. 2,843,001 (the “Registration”), for “clothing, namely, underwear, undergarments, undershirts, underpants, thongs, t-shirts, pajamas, sleepwear, sleep shirts, socks, blouses, dresses, panties, pants, skirts, jackets, jeans, swimwear, sweatshirts and hats” in the name of Grace Wexler allegedly by assignment from Powder, LLC (“Registrant”), a limited liability joint stock company formerly with an address of 500 West Madison Street, Suite 2910, Chicago, Illinois 60661, and hereby petitions to cancel the same.¹

The grounds for cancellation are as follows:

Registrant Has Abandoned Use of The Mark Covered By The Registration

¹ Upon information and belief, Grace Wexler, alleged to be the present owner of the subject registration, was formerly the sole principal of Powder, LLC and responsible for all its activities. As used herein, “Registrant” shall be interpreted to apply to both Grace Wexler, in her individual capacity and to the corporation, as the case may be.

1. Petitioner filed an intent-to-use application, under Serial No. 78/246,819, seeking registration with the U.S. Patent and Trademark Office (“PTO”) of the mark SILKY POWDER for “clothing, namely, suits, pants, skirts, and jackets” in International Class 25.

2. The PTO refused registration to Petitioner’s application Serial No. 78/246,819 based on alleged confusing similarity with Registrant’s POWDER & Design mark covered by the Registration.

3. Petitioner filed an appeal of the PTO’s refusal of registration, which appeal was denied on July 5, 2007.

4. Petitioner filed a new intent-to-use application, under Serial No. 77/229,044, seeking registration with the U.S. Patent and Trademark Office (“PTO”) of the mark SILKY POWDER for “clothing, namely, suits, pants, skirts, and jackets” in International Class 25, on July 13, 2007.

5. The PTO refused registration to Petitioner’s application Serial No. 77/229,044 based on alleged confusing similarity with Registrant’s POWDER & Design mark covered by the Registration.

6. Upon information and belief, Registrant is not currently using the mark covered by the Registration and has not used the mark for at least three consecutive years.

7. Upon information and belief, the mark covered by the Registration has been abandoned because its use has been discontinued with intent not to resume such use. Accordingly, the Registration is subject to cancellation on the ground of abandonment pursuant to Section 14(3) of the Lanham Act, 15 U.S.C. § 1064(3).

8. Petitioner is suffering and will continue to suffer damage if it is unable to obtain a registration for the mark covered by its Serial No. 77/229,044.

Registration No. 2,843,001 Was Obtained Fraudulently

9. On January 4, 2003, Registrant filed a use-based application (Serial No. 78/200,085) to register the mark POWDER & Design for “clothing, underwear, undergarments, undershirts, underpants, thongs, t-shirts, pajamas, sleepwear, sleepshirts, socks, blouses, dresses, panties, pants, skirts, jackets, jeans, swimwear, sweatshirts, hats” in International Class 25.

10. At the time Registrant filed application Serial No. 78/200,085, Registrant declared under oath, being warned that willful false statements, and the like, may jeopardize the validity of the application or any resulting registration, that the date of first use anywhere of the mark which was the subject of application Serial No. 78/200,085, in connection with all of the goods identified in the application, was at least as early as July 1, 1999, and that the date of first use in commerce of the mark which was the subject of application Serial No. 78/200,085, in connection with all of the goods identified in the application, was at least as early as August 1, 1999.

11. On June 5, 2003, the PTO issued its first Office Action in connection with application Serial No. 78/200,085 refusing registration, *inter alia*, on the basis that the identification of goods listed in the application was unacceptable as indefinite.

12. On November 14, 2003, Registrant responded to the PTO’s first Office Action requesting that the identification of goods in application Serial No. 78/200,085 be amended to the following: “clothing, namely, underwear, undergarments, undershirts, underpants, thongs, t-shirts, pajamas, sleepwear, sleep shirts, socks, blouses, dresses, panties, pants, skirts, jackets, jeans, swimwear, sweatshirts and hats.”

13. At the time Registrant filed its response to the PTO’s first Office Action in connection with

application Serial No. 78/200,085, Registrant declared under oath, being warned that willful false statements, and the like, may jeopardize the validity of the application or any resulting registration, that the date of first use anywhere of the mark which was the subject of application Serial No. 78/200,085, in connection with all of the goods identified in the response to the PTO's first Office Action, was at least as early as July 1, 1999, and that the date of first use in commerce of the mark which was the subject of application Serial No. 78/200,085, in connection with all of the goods identified in the response to the PTO's first Office Action, was at least as early as August 1, 1999.

14. On May 18, 2004, Registrant's application Serial No. 78/200,085 issued as Registration No. 2,843,001 covering "clothing, namely, underwear, undergarments, undershirts, underpants, thongs, t-shirts, pajamas, sleepwear, sleep shirts, socks, blouses, dresses, panties, pants, skirts, jackets, jeans, swimwear, sweatshirts and hats."

15. Upon information and belief, Registrant was not, at the time application Serial No. 78/200,085 was filed and at the time the response to the PTO's first Office Action was filed, using the mark POWDER & Design on all the goods identified in application Serial No. 78/200,085.

16. Upon information and belief, Registrant was not, at the time application Serial No. 78/200,085 was filed and at the time the response to the PTO's first Office Action was filed, using the mark POWDER & Design on or in connection with at least "swimwear," which is among the goods that were listed in application Serial No. 78/200,085 and Registrant's response to the PTO's first Office Action.

17. Upon information and belief, Registrant's declarations made at the time application Serial No. 78/200,085 was filed and at the time the response to the PTO's first Office Action was submitted were

made in bad faith and in an attempt to perpetrate a fraud upon the PTO because Registrant knew or should have known that the mark POWDER & Design was not being used in connection with at least “swimwear” and was therefore not using the applied-for mark in connection with all of the goods identified in application Serial No. 78/200,085.

18. Reasonably relying on the truth of such materially false statements, the PTO approved application Serial No. 78/200,085 for registration, resulting in the issuance of Registration No. 2,843,001 on May 18, 2004.

19. Upon information and belief, the conduct of Registrant constitutes fraud on the PTO and therefore Registration No. 2,843,001 should be cancelled in its entirety pursuant to Section 14(3) of the Lanham Act, 15 U.S.C. § 1064(3).

Registrant Committed Fraud on the PTO In Avoiding Entry of a Default Judgment

20. On July 17, 2007, Petitioner filed the above-captioned cancellation proceeding by filing its Petition to Cancel.

21. Registrant never filed an answer to the Petition to Cancel, which answer was due on August 26, 2007. Consequently, on September 22, 2007, the PTO issued a Notice of Default allowing Registrant 30-days to show cause why judgment by default should not be entered against it.

22. Subsequent to the filing of the Petition for Cancellation and prior to the expiration of the period for filing and answer, counsel for Petitioner was contacted by Mitchell Wexler, Esq. of the firm Friedman & Wexler, LLC, 500 W. Madison Street, Suite 2910, Chicago, IL 60661. Attorney Wexler’s communication dated 23 July 2007 is annexed hereto as **Exhibit A**. As noted in the attached

communication, Attorney Wexler advised that he had received the Petition for Cancellation "... of my client's trademark for Powder." (emphasis added).

23. Upon information and belief, Attorney Wexler was the Registered Agent of Powder, LLC and is the brother-in-law of the principal Grace Wexler of Powder, LLC. Upon information and belief Grace Wexler is the present owner of the mark and subject registration by assignment from Powder, LLC.

24. Attached hereto as **Exhibit B** is a further communication from Attorney Wexler to counsel for Petitioner dated 14 August 2007. Portions of the communication dated 14 August 2007 have been redacted to delete references to settlement offers. However, Attorney Wexler states that "[w]hile my client vehemently denies the allegations contained in the Petition, and has ever [sic] intention of preparing a defense...." Accordingly, upon information and belief, Attorney Wexler advised his client of the pendency of this proceeding and was advised by his client that Registrant: (a) denies the allegations in the Petition; and, (b) has every intention of preparing a defense.

25. The letter attached as Exhibit B goes on to state that Attorney Wexler has started preparing an answer to the Petition. Accordingly, as early as 14 August 2007, preparations for an answer had been begun by Attorney Wexler on behalf of Registrant.

26. Attached hereto as **Exhibit C** is a further communication from Attorney Wexler dated 11 September 2007 addressed to counsel for Petitioner. The communication attached as Exhibit C states that Mr. Wexler's "client" was willing to "assign and sell the trademark...." Since Attorney Wexler represented that his client was willing to take certain action, it is obvious that he had spoken to his client.

27. Attached hereto as **Exhibit D** is a copy of a string of further communications between

counsel for Petitioner and Attorney Wexler with respect to inquiries regarding a possible resolution on behalf of Attorney Wexler's client.

28. Subsequent to the above-described correspondence, on 19 October 2007, Registrant filed, *inter alia*, an Answer to the Petition to Cancel and a Response to Order Show Cause Why Default Judgment Should Not Be Entered ("Response to Order to Show Cause").

29. In the Response to Order to Show Cause, Registrant argued that its belated Answer should be accepted because it had no notice of this cancellation proceeding until after the PTO had entered its Notice of Default on 22 September 2007.

30. Upon information and belief, Registrant had notice and knowledge of the pendency of this cancellation proceeding during the period that Registrant's answer was due and before the PTO entered its Notice of Default on 22 September 2007.

31. On 19 December 2007, Petitioner filed a response to Registrant's Response to Order to Show Cause.

32. On 8 January 2008, Registrant filed a reply in support of its Response to Order to Show Cause.

33. Upon information and belief, Registrant's statements in connection with its Response to Order to Show Cause, and the reply in support thereof, were made in bad faith and in an attempt to perpetrate a fraud upon the PTO because Registrant, upon information and belief, had notice and knowledge of the pendency of this cancellation proceeding.

34. But for Registrant's materially false statements, the PTO would have entered a default

judgment in Petitioner's favor.

35. Upon information and belief, the PTO reasonably relied on the truth of Registrant's materially false statements in issuing a decision dated 12 March 2008 setting aside the Notice of Default entered 22 September 2007 and accepting Registrant's late-filed Answer.

36. Upon information and belief, the conduct of Registrant constitutes fraud on the PTO.

WHEREFORE, Petitioner prays that the Registration be cancelled.

Please charge any additional costs to our Deposit Account No. 04-0100.

Dated: May 5, 2008
New York, NY

Respectfully submitted,

DARBY & DARBY P.C.

By: s/Paul Fields
Paul Fields
Abigail Rubinstein
7 World Trade Center
250 Greenwich Street
New York, NY 10007-0042
Tel: (212) 527-7700
Fax: (212) 527-7701
Email: pfields@darbylaw.com

Attorneys for Petitioner
Paul Stuart, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on May 5, 2008, a copy of the foregoing **FIRST AMENDED PETITION TO CANCEL** was caused to be served upon counsel for Registrant, via First-Class Mail, postage prepaid, addressed as follows:

Steven Prewitt
Yvonne E. Tingleaf
SCHWABE, WILLIAMSON & WYATT
PacWest Center
1211 SW Fifth Avenue, Suite 1900
Portland, OR 97204

s/Paul Fields

CERTIFICATE OF TRANSMISSION

I hereby certify that this correspondence is being transmitted by electronic means to the United States Patent and Trademark Office on the date shown below.

Paul Fields

(Type or printed Name of Person Signing Certificate)

s/Paul Fields

(Signature)

May 5, 2008

(Date)

EXHIBIT A

-----Original Message-----

From: mitchell wexler <mhwexler@friedmanandwexler.com>

To: Winston, Laura J

Sent: Mon Jul 23 15:04:34 2007

Subject: Paul Stuart/Powder

Dear Ms. Winston:

Please be advised that I have received your petition for cancellation of my client's trademark for Powder. Please contact me to discuss this matter at your convenience. My direct line is 312-474-4545.

Very truly yours,

Mitchell Wexler

Mitchell Wexler

Friedman & Wexler, LLC

500 W. Madison St. Ste 2910

Chicago, IL 60661

312-474-1000

EXHIBIT B

Marmo, Elizabeth

From: mitchell wexler [mhwexler@friedmanandwexler.com]
Sent: Tuesday, August 14, 2007 3:38 PM
To: Winston, Laura J
Cc: Marmo, Elizabeth
Subject: Paul Stuart, Inc.
Importance: High

Dear Ms. Winston:

Attached please find a letter regarding your client, Paul Stuart's Petition to Cancel the trademark of Powder. Upon review, please advise if your client is interested in a quick non litigated settlement to this issue.

Very truly yours,

Mitchell Wexler

Mitchell Wexler
Friedman & Wexler, LLC
500 W. Madison St. Ste 2910
Chicago, IL 60661
312-474-1000

8/14/2007

NORMAN P. WEXLER
MITCHELL WEXLER

Friedman & Wexler, L.L.C.

ATTORNEYS AND COUNSELORS
500 W. MADISON STREET, SUITE 2910
CHICAGO, ILLINOIS 60661-2587

(312) 474-1000

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****Outside Illinois****

Call Toll Free

1-800-843-4656

ADDITIONAL OFFICE LOCATIONS

INDIANAPOLIS, IN
FORT LAUDERDALE, FL
SEATTLE, WA

AFFILIATED OFFICES

WEXLER & WEXLER LLC
CHICAGO, IL

WAYNE RHINE, retired Judge
ADAM ROBERTS
JEREMY WEDDLE
CARL SANTOS

GERALD S. LEVY*
MICHAEL E. FRIEDMAN +
*DIRECTOR OF OPERATIONS
+EXECUTIVE DIRECTOR

August 14, 2007

Via electronic mail only: lwinston@darbylaw.com

Darby & Darby P.C.
Attn: Laura Winston, Esq.
PO Box 770, Church St. Station
New York, NY 10008-0770

Re: Paul Stuart and Powder

Dear Ms. Winston:

As you are aware, this firm represents the owner of the trademark, Powder, of which your firm has filed a Petition for Cancellation.

While my client vehemently denies the allegations contained in your petition, and has ever intention of preparing a defense, they are willing to discuss an assignment and sale of the trademark to your client to avoid the cost of litigating this matter.

My client has agreed to assign and sell the trademark to your client, Paul Stuart for the sum of \$100,000.00.

As I have started preparing the answer to the Petition, before going further, I would appreciate an answer to this offer. My direct line is 312-474-4545.

I thank you in advance for your cooperation in this regard.

Very truly yours,

Mitchell H. Wexler
FRIEDMAN & WEXLER, LLC.

EXHIBIT C

From: mitchell wexler [mhwexler@friedmanandwexler.com]
Sent: Tuesday, September 11, 2007 8:06 PM
To: Winston, Laura J
Cc: Marmo, Elizabeth
Subject: Powder/ Paul Stuart
Importance: High

Dear Ms. Winston:

It has been several weeks since my last email regarding your client's petition for cancellation of the Powder trademark of my client.

I had hoped to hear from you regarding this matter as my client was willing to assign and sell the trademark to your client even though she still uses and has used this since its inception.

Please contact me regarding this as I believe that we can settle this matter without having to go through the entire process.

Very truly yours,

Mitchell Wexler

Mitchell Wexler
Friedman & Wexler, LLC
500 W. Madison St. Ste 2910
Chicago, IL 60661
312-474-1000

9/12/2007

EXHIBIT D

From: Fields, Paul
Sent: Monday, October 01, 2007 12:05 PM
To: 'mitchell wexler'
Subject: RE: Cancellation No. 92047819 Paul Stuart, Inc. v. Powder Our Ref: 06082/7001451-000

To my office

-----Original Message-----

From: mitchell wexler [mailto:mhwexler@friedmanandwexler.com]
Sent: Monday, October 01, 2007 12:05 PM
To: Fields, Paul
Subject: RE: Cancellation No. 92047819 Paul Stuart, Inc. v. Powder Our Ref: 06082/7001451-000

Where would you like the information delivered?

Mitchell Wexler
Friedman & Wexler, LLC
500 W. Madison St. Ste 2910
Chicago, IL 60661
312-474-1000

From: Fields, Paul [mailto:Pfields@Darbylaw.com]
Sent: Monday, October 01, 2007 11:00 AM
To: mitchell wexler
Cc: Winston, Laura J
Subject: RE: Cancellation No. 92047819 Paul Stuart, Inc. v. Powder Our Ref: 06082/7001451-000

Mitch:

As I had previously advised you, before my client will engage in settlement discussions or begin any negotiations in connection therewith, we first have to have proof of continuous use of the mark by your client on all the goods listed in the Registration.

Sincerely,
Paul

-----Original Message-----

From: mitchell wexler [mailto:mhwexler@friedmanandwexler.com]
Sent: Monday, October 01, 2007 11:45 AM
To: Fields, Paul
Cc: Winston, Laura J
Subject: RE: Cancellation No. 92047819 Paul Stuart, Inc. v. Powder Our Ref: 06082/7001451-000

Mr. Fields:

Would your client be interested in this for \$20,000.00?

Mitchell Wexler

Mitchell Wexler
Friedman & Wexler, LLC
500 W. Madison St. Ste 2910

10/1/2007

Chicago, IL 60661
312-474-1000

From: Fields, Paul [mailto:Pfields@Darbylaw.com]
Sent: Thursday, September 27, 2007 4:12 PM
To: mitchell wexler
Cc: Winston, Laura J
Subject: Re: Cancellation No. 92047819 Paul Stuart, Inc. v. Powder Our Ref: 06082/7001451-000

Dear Mitch:

This is in response to your email of 11 September 2007 to my colleague Laura Winston relative to the above matter. I have discussed the matter of your offer as set forth in your letter of 14 August with my client. They have advised me that they are not interested in an offer of that magnitude. Moreover, as I had mentioned to you during our telephone discussion, any such offer has to include proof of use of the mark on all of the goods identified in the Registration.

Sincerely,
Paul

Paul Fields
7 World Trade Center
250 Greenwich Street
New York, N Y 10007-0042

212.527.7740 | Direct Number
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